

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 7103

BILL NUMBER: HB 1215

NOTE PREPARED: Mar 12, 2013

BILL AMENDED:

SUBJECT: Fire Protection Districts.

FIRST AUTHOR: Rep. Mayfield

FIRST SPONSOR: Sen. Steele

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: The bill allows a fire protection district to purchase (with the approval of the county council) firefighting apparatus and equipment for the district on an installment conditional sale or mortgage contract running for a period not exceeding 15 years. (Under current law, the 15 year duration for such a contract applies only to a fire protection district with assessed value of \$60 M or less.)

Effective Date: July 1, 2013.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: The bill would allow all fire protection districts, rather than only districts with assessed value of \$60 M or less, to purchase fire equipment over a longer period of time up to 15 years. This could reduce periodic payments, but increase the amount of interest paid over the life of the purchase instrument. Ultimately, the impact of this authorization will depend on decisions of fire protection districts and county councils.

Background: Based on assessed values reported for Pay 2012, there are 54 fire protection districts with an assessed value exceeding \$60 M. Under current statute, these districts could purchase firefighting apparatus and equipment on an installment conditional sale or mortgage contract that runs for a period not exceeding six years. Under the bill, these districts would be able to extend the period of the installment conditional sale or mortgage contract up to 15 years. There are 14 districts that meet the current law conditions for extended terms

of payment based on assessed value.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Fire protection districts.

Information Sources:

Fiscal Analyst: Karen Firestone, 317-234-2106.